
CMS Manual System

Pub. 100-24 State Buy-In Manual

Department of Health &
Human Services (DHHS)
Centers for Medicare &
Medicaid Services (CMS)

Transmittal 3

Date: March 11, 2011

Transmittal 3 is being re-communicated on March 14, 2011, to insert the revision number, issue, effective and implementation dates in the manual instruction which were erroneously omitted during the original transmission. The transmittal number, issue date and all other information remain the same.

SUBJECT: Summary Accounting Statement – Exhibit

I. SUMMARY OF CHANGES: This transmittal provides a 508 compliant Summary Accounting Statement – Exhibit and reflects a new electronic payment option in Section 812. The email address has been corrected in Section 805.

EFFECTIVE DATE: December 1, 2010

IMPLEMENTATION DATE: January 1, 2011

**II. CHANGES IN MANUAL INSTRUCTIONS:
(R = REVISED, N = NEW, D = DELETED)**

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
R	8/805/State Part A and Part B Medicare Premium Billing
R	8/812/Summary Account Statement – Exhibit

III. ATTACHMENTS:

	Business Requirements
X	Manual Instruction
	Confidential Requirements
	One-Time Notification
	Recurring Update Notification

***Unless otherwise specified, the effective date is the date of service.**

805 - State Part A and Part B Medicare Premium Billing *(Rev. 3, Issued: 03-11-11, Effective: 12-01-10, Implementation: 01-01-11)*

The State Part A and Part B Medicare premium liability is calculated by CMS once a month at the conclusion of the third party monthly update. CMS prepares a separate Part A and Part B Medicare premium liability Summary Accounting Statement (SAS) for each State.

The SAS is mailed to each State around the 10th of every month. Since CMS bills the States prospectively, the SAS represents premiums for Medicare coverage for the following month. For example, the SAS created during May's third party monthly update is mailed on June 10th, and contains the State's Part A and Part B Medicare premium liability for the month of July. The payment due date would be the 1st of July.

The current Medicare premium liability is reflected on line 3 of the SAS. The payment due date is the 1st day of the following month, which is also specified on line 3 of the SAS. However, CMS has established an **unofficial** grace period which gives the States until the 25th day of the month as the payment due date. If the 25th day of the month is not a business day, the Medicare premium liability is due no later than close of business on the last business day **prior** to the 25th. A Medicare premium liability is considered paid when the total amount due is **received** by CMS.

Any Medicare premium liability amount that remains unpaid at the end of the grace period in the month in which payment is due will be considered a late payment and will be subject to assessment of interest and offset against the State's Medicaid Grant Award.

If a State disagrees with the amount of their Part A and/or Part B Medicare premium liability or offset amount, the State must submit documentation to support its position via fax or mail to:

CMS, OFM, AMG
Division of **Premium** Billing & Collections
Mailstop N3-21-06
7500 Security Blvd.
Baltimore, Maryland 21244-1850
Fax number (410) 786-2303
Email: statebuy-in@cms.hhs.gov

In order to avoid an interest assessment and offset against the Medicaid Grant Award, the State must still make their Medicare premium liability payment timely while CMS reviews the request. CMS will evaluate the evidence submitted. If CMS determines that a credit is due to the State, the credit amount will be reflected as an adjustment on line 2 of a **subsequent** SAS.

If a State disagrees with the amount of Part A and/or Part B billed for an individual record, the State should handle in accordance with the problem request resolution

procedures in Chapter 2. In order to avoid an interest assessment and possible offset against the Medicaid Grant Award, the State must pay the total amount reflected on line 3 of the SAS while CMS reviews the problem case request.

812 - Summary Accounting Statement – Exhibit
(Rev. 3, Issued: 03-11-11, Effective: 12-01-10, Implementation: 01-01-11)



CENTERS FOR MEDICARE & MEDICAID SERVICES
SUMMARY ACCOUNTING STATEMENT
BILLING NOTICE

NAME OF ORGANIZATION	AGENCY CODE	BILLING PERIOD
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DATE OF BILL

This statement contains billing for items processed through this period only. It does not include remittances or billing for items received too late for processing, or items under investigation. Such items will be included in a later billing.

1. **PREVIOUS BALANCE**

2. **ADJUSTMENTS**

3. **CURRENT MONTH'S LIABILITY -- PAYABLE BY**

4. **PAYMENTS RECEIVED**

5. **PREMIUMS COLLECTED THROUGH OFFSET**

6. **TOTAL BALANCE**

SEE ATTACHMENTS (S)

ENTRIES ON THIS FORM ARE EXPLAINED IN THE

FOLLOWING ARE THE ELECTRONIC FUNDS TRANSFER METHODS AGENCIES SHOULD USE TO PAY THE MEDICARE PREMIUMS AND/OR STATE PHASED-DOWN CONTRIBUTIONS:

1. THE U.S. DEPARTMENT OF THE TREASURY'S INTERNET COLLECTIONS APPLICATION KNOWN AS PAY.GOV
2. THE U.S. DEPARTMENT OF THE TREASURY'S ELECTRONIC TRANSFER OF MONIES SYSTEM KNOWN AS THE TREASURY FINANCIAL COMMUNICATIONS SYSTEM (TFCS) OR FEDWIRE

SEE THE MANUAL NAMED ABOVE FOR COMPLETE INSTRUCTIONS.

FAILURE TO COMPLY WITH THESE INSTRUCTIONS COULD DELAY THE
PROPER CREDITING OF YOUR PAYMENT.

CENTERS FOR MEDICARE & MEDICAID SERVICES
7500 SECURITY BOULEVARD
BALTIMORE, MD 21244-1850
